

Report on The Continuance of Protection to the Sago Industry 1957



**GOVERNMENT OF INDIA
TARIFF COMMISSION
BOMBAY**

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सत्यमेव जयते

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY

RESOLUTION

TARIFFS

New Delhi, the 30th July, 1957.

No. 12(1)-TP/57.—The Tariff Commission has submitted its Report on the continuance of protection to the Sago Industry on the basis of an inquiry undertaken by it under Section 11(e) and 13 of the Tariff Commission Act, 1951. Its recommendations are as follows :—

- (1) Protection to the Sago industry should be continued for a further period of two years, i.e. till the end of the year 1959, and the existing rates of protective duties should be maintained during the period.
- (2) Wide publicity should be given in the regional language to the Report of the Sago Export Committee and the brochure containing the Indian Standard Specifications in respect of sago.
- (3) The factories producing sago in Salem District of Madras should be brought under the administration of pure food laws in the country and steps taken to have all factories registered under licences, the rules for the issue of licences being framed in consultation with the Central Food Technological Research Institute.
- (4) A laboratory should be established at Salem for testing samples of sago in accordance with the standards as laid down by the Indian Standards Institution. This laboratory should also, in collaboration with the Central Food Technological Research Institute, assist manufacturers to achieve the minimum working conditions necessary for the efficient operation of their factories.
- (5) No licences for export of sago should be granted to a producer until he has obtained a certificate from the Central Food Technological Research Institute (or the testing laboratory to be established at Salem) to the effect that the quality of sago produced in the factory fulfils Indian Standard Specifications.
- (6) The practice of colouring sago should be prohibited.
- (7) The Government of Madras should give necessary assistance to the producers of sago to set up a co-operative organisation which should function as a central purchasing agency for tapioca tubers and a distributing agency for the finished product.

2. Government accept recommendation (1). The protective duty on Sago Globules and Tapioca pearls has been rounded off to 40%

(ii)

ad valorem (if manufactured in a British Colony) and 50% *ad valorem* (if not manufactured in a British Colony) with effect from the 16th May, 1957, under the Finance (No. 2) Bill, 1957. Necessary legislation will be undertaken in due course to continue protection to the Industry at the revised rates of duty.

3. Government also accept recommendation (2) and will take suitable steps to implement it as far as possible.

4. Government have taken note of recommendations (3) to (6) and steps will be taken to implement them as far as possible. Recommendation (7) has also been noted and the matter will be taken up with the State Government concerned.

5. The Tariff Commission has also made certain ancillary recommendations for improving technique in the production of sago, for the expansion of sales and for the maintenance of relevant statistics. These recommendations will be brought to the attention of the industry and the Salem Sago Manufacturers' Association.



ORDER

ORDERED that a copy of the Resolution be communicated to all concerned and that it be published in the *Gazette of India*.

B. B. SAKSENA,

Joint Secretary to the Government of India.

सत्यमेव जयते

CONTENTS

PARA.		PAGE
1	Previous tariff inquiries	1
2.	Present inquiry	2
3.	Method of inquiry	2
4.	Recommendations of the Commission in its last report (1954) and the extent to which they have been implemented	3
5.	Progress of the industry since 1954	6
6.	Present position of the industry	8
7.	Raw materials	10
8.	Domestic demand	11
9	Quality of the indigenous product	12
10	Import control policy and imports	13
11	Export control policy and exports	14
12	Existing rates of duty	15
13	Cost of production and fair ex-works price of indigenous sago	15
14	C.i.f. prices and landed costs of imported sago	17
15	Comparison of c.i.f. price and landed cost of imported sago with fair-ex-works price of indigenous sago	18
16	Scheme and measure of protection	18
17	Summary of conclusions and recommendations	20
18	Acknowledgements	22

APPENDIX

I	List of Bodies and Government Departments to whom the Commission's questionnaires and letters were issued and from whom replies were received	23
II	List of persons who attended the Commission's public inquiry at Salem on 25th March, 1957	25

REPORT ON THE CONTINUANCE OF PROTECTION TO THE SAGO INDUSTRY

1.1. The first inquiry into the claim of the sago industry to its recommendation, the Government of India granted protection to protection was conducted by the Tariff Board in May, 1950 and on the industry up to 31st December, 1952. On the basis of the then existing tariff value of Rs. 30 per cwt., the Board in its report recommended that protective duty of 35 per cent *ad valorem* and 47 per cent *ad valorem* should be imposed on imports of sago globules and tapioca pearls from British Colonies and from countries other than British Colonies respectively. It also recommended that if and when the tariff value was altered during the period of protection, the protective duties should be so adjusted as to ensure to the industry the same quantum of protection. The Government of India in the Ministry of Commerce accepted the above recommendation by their Resolution No. 12(4)TB/50, dated 16th September, 1950, subject to the modification that the standard rate of duty should be fixed at 45 per cent *ad valorem* instead of 47 per cent *ad valorem* as recommended by the Board, as the margin of preference guaranteed by the Indo-British Trade Agreement of 1939 was only 10 per cent *ad valorem*.

1.2. With effect from 1st January, 1951, the Government of India altered the tariff values on sago and tapioca to Rs. 40 and Rs. 42 per cwt. respectively as a result of which it was found necessary to alter the rates of duties as provided for in the Board's recommendation, to 26 per cent preferential and 33 per cent standard in the case of sago and 25 per cent preferential and 33 per cent standard in the case of tapioca globules. Separate rates of duties for sago and tapioca were, however, considered not desirable as they would have necessitated the splitting up of the then existing tariff items. Consequently, the same rates of protective duty, namely, 25 per cent preferential and 35 per cent standard, were considered suitable for both sago and tapioca globules. As these rates of duties were nearer to the then existing rates of revenue duties of 24 per cent preferential and 36 per cent standard, the Government of India, in consultation with the Tariff Board, converted the then existing revenue duties into protective duties at the same rates and made them effective till 31st December, 1952 by the Indian Tariff (Amendment) Act, 1951. By the Finance Act of 1951, a surcharge of 5 per cent was imposed on the above protective rates of duties. Pending a detailed investigation, the period of protection was extended from time to time, on the recommendation of the Tariff Commission, up to 31st December, 1954.

1.3. Towards the end of 1953, the Commission undertook a second inquiry into the industry and submitted its report on 4th February, 1954 recommending continuance of protection to the industry till 31st December, 1956. It also recommended that a protective duty at the rate of 36 per cent *ad valorem*, plus 5 percent of the total duty should be levied on imports of sago globules and tapioca pearls from British Colonies, the standard rate of duty on imports

from other countries being fixed in accordance with the provisions of the Indo-British Trade Agreement. This recommendation was accepted by Government and duties were fixed at 36 per cent *ad valorem* plus 5 per cent of the total duty preferential and 46 per cent *ad valorem* plus 5 per cent of the total duty standard.

1.4. Protection to the industry which was due to expire on the 31st December, 1956 was extended, on the recommendation of the Commission, up to 31st December, 1957 by the Indian Tariff (Amendment) Act, 1956.

2. The present inquiry has, therefore, been undertaken by us under Section 11 (e) read with Section 13 of the Tariff Commission Act, 1951, whereby we are empowered to **Present inquiry** take action in relation to the protection granted to an industry, with a view to its increase, decrease, modification or abolition according to the circumstances of the case.

3.1. Towards the end of 1955, we undertook an inquiry into the progress of this industry under Section 15 of the Tariff Commission Act 1951 and submitted a report to Government in March, 1956. The data collected by us in connection with this report were brought up-to-date, and further investigation undertaken where necessary.

Method of inquiry

3.2. On 21st January, 1957, a press note was issued requesting firms, persons or associations interested in this industry to submit their views to the Secretary to the Commission in the form of memoranda. The Salem Sago Manufacturers' Association, Salem, and the Women Welfare Centre, Parassala, Kerala State, were requested to furnish detailed memoranda on the industry. The Chief Industrial Adviser, Ministry of Heavy Industries, Development Wing, New Delhi, was requested to furnish a memorandum on the present position of the industry. The Secretary to the Government of India, Ministry of Heavy Industries, was requested to inform the Commission as to how far the recommendations made by the Sago Expert Committee in their Report of 1956 were accepted by the Government of India and the action taken by Government to implement them. Letters were addressed to the following State Government Departments, namely (i) The Secretary to Government, Department of Industries, Labour and Co-operation, Government of Madras; (ii) The Director of Agriculture, Government of Madras; (iii) The Director of Industries and Commerce, Government of Kerala; and (iv) The Director of Agriculture, Government of Mysore, asking for details regarding the sago industry with particular reference to the production of tapioca roots in their respective States and export restrictions, if any, imposed on the movement of tapioca roots. Letters were also addressed to (i) The Director, Central Food Technological Research Institute, Mysore; (ii) The Director, Indian Standards Institution, Delhi; and (iii) The Chief Controller of Imports and Exports, New Delhi, asking for information relevant to this inquiry. The Divisional Superintendents (Commercial), Southern Railway, at Tiruchirappalli and Podanur were requested to furnish information regarding the quantity of sago despatched during the years 1954,

1955 and 1956 from Salem Market, Salem Junction and Sankaridrug Railway Stations. The Indian Trade Representative in Malaya was asked to furnish data regarding the latest f.o.b. prices of sago globules made of tapioca or sago starch as prevailing at Singapore. A list of bodies and government departments to whom the Commission's questionnaires and letters were issued and from whom replies have been received is given in Appendix I.

3.3. Shri C. Ramasubban and Dr. S. K. Muranjan, Members, visited some sago factories in Salem District on 24th March, 1957. Shri S. S. Mehta, Technical Director (Chemicals), visited the Central Food Technological Research Institute, Mysore, to hold discussions with the Director of the Institute, and, later, certain sago factories at Salem between 21st to 24th March, 1957. Shri A. K. Gopalan, Assistant Cost Accounts Officer, undertook the cost investigation of some representative sago factories at Salem from 18th to 24th March 1957. Shri B. N. Ramarathnam, Senior Economic Investigator, camped at Salem from 19th February to 3rd March, 1957 for the collection of statistics relating to capital invested, labour employed, rated capacity, production and sales of sago from the different sago factories situated in Salem District. A public inquiry was held on the 25th March, 1957 at "Foulkes Hall" (District Board Hall) Salem. A list of persons who attended the inquiry is given in Appendix II.

4.1. Of recommendations made by the Commission in its last report (1954), those relating to extension of the period of protection and the rates of protective duties have already been dealt with in paragraph 1.3. The other recommendations are listed below with a brief statement against each recommendation of the extent to which it has been implemented.

Recommendations of the Commission in its last report (1954) and the extent to which they have been implemented.

4.2. *So long as import restrictions continue to be maintained on balance of payments considerations, imports should be so regulated as to take into account the capacity of the industry to meet the entire requirement of the country and the scope for its further expansion in future.*

Imports of sago and tapioca globules have been banned since January 1950. The import ban is being continued during the current licensing period, namely, January-June 1957.

4.3. *The Government of Madras should depute an officer of the Agricultural Department to study the methods of cultivation of sago and tapioca and the manufacture of globules in Malaya. Two or three representatives of the producers may accompany the officer to Malaya during his deputation.*

While accepting the above recommendation, the Madras State Government suggested to the Government of India that the expenditure on account of the deputation of the officer concerned should be met from Central revenues as it was considered that the results obtained from such a study tour were of importance to the country as a whole. The Government of India did not agree to this suggestion. The question was, therefore, re-examined by the Madras State

Government and a request was made by it to the Government of India to meet at least 50 per cent of the expenditure while the other 50 per cent would be borne by the State Government. The Government of India is reported to have reiterated its stand that as the Tariff Commission's recommendation primarily concerned the State Government the financial responsibility for the proposed scheme devolved only on the State Government and that the entire expenditure on account of the deputation of the officer should be met from State revenues. The Madras Government has not so far taken any decision in the matter. As regards the deputation of the representatives of the producers to accompany the Officer to Malaya, the Salem District Chamber of Commerce has submitted the names of six persons who agreed to proceed to Malaya at their own cost. The Madras Government has recommended that four of them may be selected and the other two kept in reserve.

4.4. The Madras Government should establish an experimental farm near Salem for the purpose of introducing improved methods of cultivation of tapioca as well as manufacture of sago.

The Government of Madras is reported to have worked out a scheme for the improvement of sweet potato and tapioca at Coimbatore and Mangalore with the financial assistance of the Indian Council of Agricultural Research. In view of the fact that the results obtained from the Coimbatore Centre would be applicable to the conditions prevailing in Salem area also, the Madras Government decided not to open another experimental farm at Salem. The Salem Sago Manufacturers' Association has, in this connection, stated that the Madras Government, on a further representation made by the Association, announced that it would start such a farm near Salem. However, no action seems to have been taken by the State Government in this regard. A proposal to start a factory for the manufacture of sago on a co-operative basis is being examined by the Registrar of Co-operative Societies, Madras State. The question of setting up a laboratory is also reported to be engaging the attention of the Government of Madras. A State Advisory Board for the Sago Industry in Madras State has been set up in September 1956. The District Collector, Salem, is the President of the Board and the Assistant Director of Industries and Commerce, Salem, is the Secretary. Manufacturers of sago are represented on this Board. We understand that this Board is examining the above recommendation.

4.5. The Government of Madras should give necessary assistance to the producers to set up a co-operative organisation which should function as a central purchasing agency for tapioca roots and a distributing agency for the finished product.

We are informed that a Special Officer of the Co-operative Department was appointed by the Madras Government to investigate the feasibility of organising a co-operative society for growers of tapioca and manufacturers of sago, and a report was submitted by

him in May, 1955. It was found that a co-operative marketing society for sago manufacturers would function to their satisfaction only if the society was prepared to advance moneys against the commodity up to its full value, as was being done by dealers at present. On the other hand, sago manufacturers were informed by the Special Officer that a co-operative society, if established, could make advances only to the extent of 30 to 40 per cent of the value of stocks. In the view of the Salem Sago Manufacturers' Association, products of sago required assurances of financial assistance to the full extent of their requirements so as to be independent of the existing dealers (middlemen) before lending their support to a scheme which would result in the replacement of such middlemen by a co-operative society. The Government of Madras would, therefore, appear to have given up the idea of establishing a co-operative marketing society.

4.6. The quality of the indigenous product is fairly satisfactory but there is still much room for improvement in the technique and conditions of manufacture. The manufacturers should carry out these improvements in consultation with the Central Food Technological Research Institute, Mysore, and the Institute should undertake experiments in co-operation with the Salem Sago Manufacturers' Association for improving the technique of manufacture.

The steps taken by the Central Food Technological Research Institute, Mysore, and the Indian Standards Institution in connection with the improvement of the quality of the indigenous product and its standardisation are discussed in paragraphs 9.2 and 9.4 dealing with the quality of the product.

4.7. The Salem Sago Manufacturers' Association should collect information from its members regarding production, sales, stocks, selling prices, etc., and submit these data to the Commission periodically.

The Association has failed to implement the above recommendation. With a view to keep a watch over the progress of this industry as in the case of other protected industries, the Commission wrote a letter to the Association on 13th August, 1955 requesting it to collect monthly data regarding production, sales, stocks and wholesale and retail prices from member units and submit the data regularly every month to the Commission. No action was taken on this letter. In connection with the inquiry into this industry undertaken by the Commission under Section 15 of the Tariff Commission Act, 1951, a letter was sent to the Association on 6th September, 1955 requesting it to furnish the Commission with a memorandum on the industry. In spite of repeated reminders the Association did not reply to the Commission's communications. The Director of Industries and Commerce, Government of Madras, was, therefore, requested to impress upon the Association the necessity of supplying the information called for by this office. In spite of repeated efforts by the Director through his local officer at Salem to persuade the Association to respond to our communication, the Association failed to do so. The Development Wing of the Ministry of Heavy Industries

have also expressed their inability to furnish the data and have stated that although there are nearly 100 sago factories, only 26 units reported their monthly production figures to them during 1955 while during 1956, only 6 units reported their production figures. The reasons given by the Association for their failure to submit data called for are (a) their preoccupation with the legal disputes that arose on account of the seizure of sago stocks in the West Bengal market in 1953-54 and the repercussions it had on the other markets and (b) the unsatisfactory state of the organisation of the industry and the unwillingness on the part of the sago manufacturers to disclose information relating to their manufacturing activities. According to our Investigator who visited Salem for the collection of statistics, no proper records are maintained by the individual manufacturers regarding the capital invested, labour employed, capacity, production, sales, etc.

5.1. Immediately after the last tariff inquiry, that is, towards the end of 1953 and in the following months, the sago industry suffered a setback in its progress as a result of a series of prosecutions of dealers and freezing of stocks in Uttar Pradesh, Bombay, Travancore-Cochin and West Bengal. Action was first started in Kanpur in Uttar Pradesh where the State Government is reported to have issued a notification prohibiting the sale of Salem sago on the ground that it was a preparation of tapioca

**Progress of the
industry since
1954**

and that therefore it was illegal to sell it as 'sago'. The merchants who sold the product as sago were subjected to prosecutions. Similar action was taken in Bombay where the Health Authorities of the Municipal Corporation are reported to have launched prosecutions against dealers. The Health Authorities of the Calcutta Corporation, in collaboration with the Enforcement Branch are said to have sealed godowns containing nearly 8,000 bags of sago and launched prosecutions against the respective dealers. The contention of the authorities in all these cases would appear to have been that the sale of tapioca globules as 'sago' or 'saboodana' amounted to adulteration and misbranding. The Salem Sago Manufacturers' Association had to take immediate action to contest all the prosecutions and while this involved considerable expenditure it also resulted in a definite setback to the progress of the industry. Over two years were spent by dealers and manufacturers in having these matters satisfactorily settled, but even now, so we are informed, the position in West Bengal appears to be that the sago manufactured in Salem is not allowed to be sold as 'sago' but only under the nomenclature of 'tapioca globules'.

5.2. With a view to setting at rest the doubts of the various State Governments and Municipal Corporations regarding the definition of the word 'sago' and the quality and nutritive value of tapioca globules, the Government of India in the Ministry of Commerce and Industry constituted a Sago Expert Committee under the Chairmanship of the Chief Industrial Adviser to the Government of India with four other members possessing the requisite technical qualifications and experience to report on :—

- (a) whether the product marketed in India as 'sago' is different from that made in other countries; how it compares in nutritive value and other properties with sago prepared out of sago palm;

- (b) whether it is a wholesome product and can be recommended for the use of children, invalids and others; and
- (c) what steps should be taken to maintain a good quality that will make the product consistently safe to the consumer.

After exhaustive investigations this Committee which was constituted in November, 1955 submitted its report to Government in 1956. We are informed that the report is still under the examination of the Government of India.

5.3. In its above report the Committee has stated that although the original product called 'sago' was made in Malaya from the starch obtained from the pith of the sago palm, sago manufactured from tapioca is preferred by consumers in Malaya in view of the fact that it is whiter in comparison with sago prepared from sago palm starch; in Thailand sago is entirely made from tapioca starch and the same is the case in Ceylon, while in Indonesia sago is prepared both from tapioca as well as from palm starch. The Committee has also stated that sago processed properly from tapioca starch is a wholesome product and could be recommended for the use of children, invalids and others. The Committee has also discussed in detail the various charges against indigenous sago and has confirmed that its nutritional value is what one would expect from its composition and that there is no truth in the belief that tapioca starch has lower food value than other starches or is injurious to health in any way. Finally, the Committee has recommended that the name 'sago' should be taken to mean globules or pearls made from either the starch of the sago palm or the tubers of tapioca and conforming to the standards laid down for the products from time to time. Various recommendations have also been made by the Committee in regard to the steps to be taken to maintain the quality of the product.

5.4. The Committee's recommendation regarding the definition of sago is of particular value in the context of the setback suffered by the industry as a result of punitive action taken by the various State Governments in 1953-54. We have carefully perused the report of the Expert Committee and recommend that it should be given wide publicity all over the country in order to set at rest all misgivings regarding the product. We also recommend that it should be translated into Tamil and made available to all producers of sago as most of them do not know English. We fully agree with the Committee's recommendation that the term 'sago' should mean globules or pearls made from either the starch of the sago palm or the tubers of tapioca and have in accordance with this view dropped out from this report the parenthetical use of the phrase 'tapioca globules'.

5.5. The Salem Sago Manufacturers' Association has stated that as a result of the vicissitudes undergone by the industry during 1954 and the major part of 1955 there has been a serious setback to the progress of the industry and the prosperity of the manufacturers. We have borne this in mind in dealing with the case of extension of protection to the industry.

6.1. *Number of units.*—At the time of the first Tariff Board inquiry in 1950 it was reported that forty units were engaged in the manufacture of sago. In 1954 when the Commission conducted the second inquiry the number of units had increased to 125. We are informed by the Salem Sago Manufacturers' Association that ten more units have since come into production bringing the total number to 135. The Development Wing of the Ministry of Heavy Industries has stated that there are about 100 sago units in Salem District, and about a dozen in other Districts of Madras and in Kerala. According to the Director of Agriculture, Madras State, the units in Madras State number 125 and are distributed as follows :—

Salem District	120
Tiruchirappalli District	1
South Arcot District	2
Coimbatore District	1
Tanjore District	1
	<hr/> 125 <hr/>

The Secretary of the Women Welfare Centre, Parasuvaikal, Parasal, Kerala, has reported that 200 families are engaged in the manufacture of tapioca globules in the centre, while over three thousand families surrounding the centre are engaged in the manufacture of tapioca starch. It is stated that crushing of the tapioca tubers is done mostly by equipment which is operated by electric motors, while the other operations such as extraction of the starch, filtering, settling and production of globules is done in cottages by manual process.

6.2. *Capital invested and labour employed.*—The Salem Sago Manufacturers' Association has furnished data with regard to capital invested and labour employed in respect of 96 units which are its members. The capital invested is reported to be of the order of 32 lakhs of rupees; the labour employed on a permanent basis is of the order of 4,300 and casual labour employed for peeling, etc., is estimated to be 11,300. The Association has further estimated that this industry, on the whole, provides employment to about 1 lakh persons, including those engaged in the production of tapioca tubers. The Director of Agriculture, Madras, has stated that on an average about Rs. 40,000 to Rs. 50,000 is invested in a factory and on this basis he has estimated the total capital invested to be of the order of 50 to 60 lakhs of rupees. The number of labourers employed according to him is about 50 for each factory and on this basis the total number of workers employed in the industry on a permanent basis is 6,250. He has also stated that 600 to 700 labourers (mostly women) are employed daily by a factory for all operations like peeling, crushing, sieving etc., and on this basis has estimated the total number of labourers engaged in the sago industry at about 70,000.

6.3. *Capacity and production.*—In 1950, the Salem Sago Manufacturers' Association estimated the rated capacity of the 40 factories which were then engaged in production at 19,500 tons and the actual production at about 8,000 tons per annum. The Tariff Board, however, estimated the production of those units at 6,000 tons per annum. During the second inquiry in 1954 the Association stated that the annual production capacity of the 95 units (for which it furnished data) was 30,640 tons and the production was 22,843 tons in 1951, 21,868 tons in 1952 and 19,578 tons in 1953 (January-September). The Commission expressed its inability to give any opinion regarding the estimate of rated capacity. As regards the figures of production, the Commission could not accept the figures furnished by the Association and after taking into account the quantity of sago despatched through the main railway stations estimated the annual output at about 18,000 tons per annum. In its memorandum submitted to us in connection with the present inquiry the Development Wing of the Ministry of Heavy Industries has estimated the annual capacity of the industry to be of the order of 30,000 tons. It was unable to furnish data regarding the actual production of the industry. The Director of Agriculture, Madras, has estimated the annual rated capacity of the industry at about 30,000 to 35,000 tons per annum. According to him, the actual quantities of sago produced during the last 4 years were as follows :—

Year	Qty. produced (tons)
1953	18,000
1954	22,000
1955	25,000
1956	25,000

According to the Salem Sago Manufacturers' Association the present annual rated capacity of the industry in so far as it relates to 96 units is 30,817 tons and the production of the same number of units during the last three years was as follows :—

Year	Production (tons)
1954-55	18,086
1955-56	22,041
1956-57 (11 months)	18,46

According to the Investigator who visited Salem in connection with the collection of statistics, the above figures are in most cases only estimates made by the Association after a visit to the respective factories. The individual units do not maintain proper records to show their production, sales, etc. and in most cases they are unwilling to disclose the correct information. Many of the factories are leased out to persons who bring their tapioca roots to be converted into sago after paying the conversion charges. No records are available for sago produced in this manner. The proprietors of factories change frequently with the result that the present proprietor is unable to furnish details of production and sales for an earlier period.

The Association has not been functioning properly, and has not maintained any regular statistics of production etc. The Office of the Assistant Director of Industries and Commerce, Government of Madras, Salem, is also not in a position to furnish any details regarding statistics of production, sales, etc.

6.4. As on the last occasion we obtained from the authorities of the Southern Railway information relating to the despatches of sago from railway stations in Salem District which shows that 21,725 tons were despatched by railway from Salem District in 1954, 27,702 tons in 1955 and 19,822 tons in 1956.

7.1. The main raw material required for the manufacture of sago globules is tapioca tubers. These are extensively grown in Kerala and Salem District of the Madras State and to a lesser extent in North Arcot, Tanjore and Tiruchirappalli District. The sago industry is concentrated in and around Salem and large quantities of tapioca tubers are brought in from other growing areas including those which now fall outside the Madras State.

7.2. According to the Director of Industries, Travancore-Cochin State and the Secretary of the Tapioca Market Expansion Board, Trivandrum, the figures of area under cultivation and production of tapioca tubers in Travancore-Cochin/Kerala States for the period from 1952-53 to 1955-56 were as follows: --

Year	Area in acres	Production of tapioca tubers in tons.
1952-53	511,000	1,467,000
1953-54	618,000	1,730,000
1954-55	521,000	1,459,000
1955-56	534,000	1,494,000

} Travancore-Cochin State.

Kerala State.

7.3. The Director of Agriculture, Government of Madras, has stated that the figures of area under cultivation and production of tapioca tubers for the old State and the reorganised State of Madras during the above years were as follows:—

Year	Area in acres	Production in tons
1952-53	74,900	233,000
1953-54	79,800	258,000
1954-55	91,200	313,000
1955-56	22,000	83,300

} Old Madras State including Malabar and South Kanara.

*Reorganised Madras State.

*Does not include figures for Kanyakumari District and Shencottah Taluk.

7.4. The average yield of tapioca tubers in Travancore-Cochin was 2.9 tons per acre whereas in the Madras State it was 3.2 tons per acre. We stated in our last Report that the yield per acre of tapioca roots in Madras State was higher than that in Travancore-Cochin State, but that it should be possible to increase the yield further by the adoption of improved methods of cultivation. According to the figures available there has been no appreciable improvement in the yield per acre in both the States. Research in this connection has been undertaken at Coimbatore and Mangalore,

both in Madras State before re-organisation. We are also informed that all steps are being undertaken through the Department of Agriculture in Kerala State for augmenting the yield of tapioca in that State.

7.5. The prices of tapioca tubers in Salem and Kozhikode markets during the years 1954, 1955 and 1956 as furnished by the Director of Agriculture, Madras, reveal very wide fluctuations. The price per cwt. of tubers in Salem which was Rs. 7.83 in January 1954, fell to Rs. 6.80 in June and again to Rs. 3.30 in December. During 1955 the price ranged between Rs. 2.80 and Rs. 2.20 while in 1956 it commenced at Rs. 4.15 in January and went to as high as Rs. 9.78 in December. The prices in Kozhikode were somewhat lower than in Salem but the trends were similar.

7.6. The Salem Sago Manufacturers' Association has furnished the following information regarding the prices at which tapioca tubers were procured by a large unit in Salem town and by a medium sized rural factory and the selling prices of sago per cwt. during the period from June 1954 to December 1956. The figures establish the close relationship between the cost of raw material and the selling price of the manufactured product.

Quarter ending		Price of tapioca tuber per cwt.		Selling price of sago per cwt.
		Large factory in Salem town	Medium sized rural factory	
		Rs.	Rs.	Rs.
June	1954	7.14	8.11	35.66
Sep.	1954	5.04	5.60	28.40
Dec.	1954	3.70	4.16	20.91
March	1955	2.66	2.80	15.68
June	1955	2.25	2.80	15.30
Sep.	1955	2.60	3.08	16.80
Dec.	1955	2.84	2.24	16.25
March	1956	5.25	6.03	22.75
June	1956	6.44	6.44	31.08
Sep.	1956	6.72	6.72	27.44
Dec.	1956	8.40	8.95	31.92

8. At the last inquiry the Commission estimated the annual demand for sago at 18,000 tons and observed that there was no likelihood of an increase in demand unless there was a reduction in its price. In connection with the present inquiry the Development Wing of the Ministry of Heavy Industries has estimated the annual demand at 19,000 tons and expects it to go up by another 2,000 tons during the next three years. The Director of Agriculture, Government of Madras, has estimated the current demand at 18,000

to 20,000 tons per annum and has stated that the demand in the next three years would be about 20,000 tons per annum. The Salem Sago Manufacturers' Association has estimated the demand for 1957 at 23,000 tons for 1958 at 25,000 tons, for 1959 at 27,000 tons and for 1960 at 30,000 tons. These estimates were discussed with those present at the public inquiry and it was found that, by and large the expectations of increased demand were not based on proved factors. It will be observed from the figures supplied by the Southern Railway authorities (Paragraph 6.4) that the average of despatches during the three years 1954, 1955, and 1956 was 23,000 tons. We are, therefore, of the opinion that it would be safe to assess the domestic demand in the immediate future of the about 23,000 tons per annum. In the opinion of the Director of the Central Food Technological Research Institute, Mysore, there was scope for considerable increase in the demand if more propaganda and advertisement were undertaken by the manufacturers or their Association. The Institute has brought out a booklet called "The Indian Sago Industry" which contains exhaustive information regarding the product and a number of recipes for sago preparations. This booklet together with the report of the Sago Expert Committee should provide ample material for the Association to make use of in advertising the virtues and various uses of the product. We recommend that the industry should act on the suggestion of the Director of the Central Food Technological Research Institute through its Association.

9.1. As there have been no imports of foreign sago for several years it has not been possible to obtain opinions of consumers regarding the comparative qualities of the indigenous and imported sago. The Development Wing of the Ministry of Heavy Industries has stated that the sago manufactured at Salem by some of the units which was chemically examined by it has been found to be of good quality. The palatability of the product is also reported to be satisfactory. Due to defects in the processing technique the product made by a few units is reported to be of poor quality.

Quality of the indigenous product

9.2. The Indian Standards Institution has published the Indian standard for sago (Saboodana) IS: 899/1956. The standard includes the general requirements of sago, the size of globules or pearls, the degree of gelatinisation and the specification with regard to various requirements. Full directions have also been given regarding sampling and testing of the product. We recommend that the brochure containing the standard specifications should be fully translated into Tamil by the Salem Sago Manufacturers' Association (with the assistance of the Central Food Technological Research Institute) and made available to all the producers of sago. We are of opinion that the manufacturers should meticulously follow these standards in the preparation of the product and, for this purpose, the availability of the brochure in the regional language is absolutely essential.

9.3. The Salem Sago Manufacturers' Association has stated that the indigenous product conforms to the standards laid down by the Indian Standards Institution. But we are not aware that steps have been taken to subject different samples of the sago produced to the requisite tests and examinations.

9.4. In our last report (1954) we drew attention to the need for improving the technique and process of manufacture of sago in the Salem factories with a view to ensuring that the finished product satisfied consumers and that unhygienic practices were eschewed. From evidence received by us during the course of the present inquiry and our inspection of two factories, we observe that some of the unhygienic practices have been given up, although considerable improvements have yet to be effected. The heads under which the maintenance of hygienic standards has to be enforced are fully dealt with in the report of the Sago Expert Committee. After examining the various problems concerning maintenance of hygienic standards and quality control in the light of the observations made in the above report, we make the following recommendations:

9.4.1. The factories producing sago in Salem should be brought under the administration of pure food laws in the country and steps taken to have all factories registered under licences, the rules for the issue of which should be framed in consultation with the Central Food Technological Research Institute. Inspectors should be appointed in adequate numbers to enforce the licensing regulations.

9.4.2. A laboratory should be established at Salem for testing samples of batches of sago produced at the various factories in accordance with the standards as laid down by the Indian Standards Institution. A Technical Officer should be attached to this laboratory not only to assist manufacturers to maintain quality control but also help them to achieve the minimum working conditions necessary for the efficient operation of their factories. This Technical Officer should work in collaboration with or under the supervision of the Central Food Technological Research Institute, Mysore.

9.4.3. Manufacturers should extend their fullest support and co-operation to the personnel in charge of the laboratory, the Technical Officer and the Inspectors appointed to enforce food laws and licensing regulations.

9.4.4. The practice of colouring sago to attain a pink colour, which appears to be prevalent to some extent, should be prohibited.

10.1. *Import Control Policy.*—Imports of sago globules have been banned since January, 1950. During the current licensing period viz., January-June, 1957, also no imports are allowed. As the indigenous sago industry is fully capable of meeting the requirements of the country, there is no need to relax the import restrictions which, in any case, will have to be continued for conserving foreign exchange.

**Import control
policy and
imports**

10.2. *Imports.*—Statistics of imports of sago are not separately recorded in the Accounts relating to the Foreign Trade and Navigation of India. The Director General of Commercial Intelligence and Statistics, Calcutta, has been, however, furnishing us monthly figures of imports of sago. According to the figures furnished by him there were no imports since 1953-54.

11.1.1. Export Control Policy.—The export control policy followed by the Government of India in respect of sago globules since the licensing period July-December, 1955 **Export control policy and exports** to-date as furnished by the Chief Controller of Imports and Exports, New Delhi, is given below:—

“Prior to July, 1955, export of tapioca globules (sago) was not allowed. After careful examination in July, 1955, it was decided to release a quota of 1,000 tons of tapioca globules (sago) for export from the ports of Madras and Travancore-Cochin States. Subsequently, the quota was raised to 6,000 tons (5,000 tons from Madras and 1,000 tons from Travancore-Cochin and West Cost Ports). Exports from other ports were not allowed. All exporters (manufacturers and traders), who had submitted their applications to the Joint Chief Controller of Imports & Exports, Madras, and the Deputy Chief Controller of Imports and Exports Cochin, were treated as ‘Registered Exporters’ and export of this commodity was licensed freely on shipping bills by these exporters up to the end of March, 1956, subject to the following restrictions on individual ‘Registered Experts’:

- (a) The maximum quantity that a manufacturer should be allowed to export was not to exceed 250 tons from both the ports.
- (b) In the case of traders, the limit on exports should be up to the stocks declared in their applications.

11.1.2. The maximum quantity of tapioca globules (sago) that was estimated to be exported in this manner was about 6,300 tons. The quantities passed for shipment and actually exported up to the end of February, 1956 against this limit were, however, only 333 tons and 281 tons respectively. In February, 1956, the position was, therefore, again reviewed and it was decided with effect from 8-3-1956 that export of tapioca globules (sago) may be licensed freely on shipping bills by all exporters up to the end of June 1956, from the ports of Madras and Cochin, subject to a maximum of 250 tons by each exporter. In June 1956, it was further decided to license freely export of tapioca globules (sago) from the beginning of July, 1956 by all exporters, without any quantitative restrictions from all the ports up to the end of December, 1956. This free licensing has now been extended up to the end of December, 1957”.

11.2.1. Exports.—The actual exports of sago globules during the years 1955 and 1956 as furnished by the Chief Controller of Imports and Exports, New Delhi, are given below:—

(Figures in tons)

Country to which exported	1955	1956
U. K.	5	...
Ceylon	198	399
East Pakistan . . . . .	...	7
TOTAL	203	406

11. 2. 2. As it is necessary to ensure that an export market in sago is built up on sound basis, we recommend that no licences for export be granted to a producer until he has produced a certificate from the Central Food Technological Research Institute (or the laboratory referred to in paragraph 9.4.2.) to the effect that the quality of the sago produced in his factory fulfils the Indian Standard specifications.

12. Sago globules and tapioca pearls are at present assessed to duty under Item No. 11(6) of the First Schedule of the Indian Customs Tariff (Forty-first Issue) the relevant extract from which is reproduced below:—

Item No.	Name of article	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufacture of			Duration of protective rates of duty
				The U. K.	A British Colony	Burma	
11(6)	Sago globules and tapioca pearls—						
	(a) manufactured in a British Colony.	Protective	36 per cent <i>ad valorem</i> plus 5 per cent of the total duty.	..	..	..	December 31st, 1957.
	(b) not manufactured in a British Colony.	Do.	46 per cent <i>ad valorem</i> plus 5 per cent of the total duty.	..	..	..	December 31st, 1957.

13. 1. Our Cost Accounts Officer has examined the cost of production of sago in three factories, viz., (1) The Starch Manufacturing Co., Siddarkoil, (2) Sri Venugopal Rice and Sago Mills, Namagiripet and (3) The New Shanmugha Rice and Oil Mills, Sirapalli; these were three of the four factories which were costed during the last inquiry in 1954 and are representative respectively of large, medium and small units in the industry. The investigation, in all three cases, was made for the year ended 31-3-1956 and revealed that the quantity of tapioca tubers consumed per cwt. of sago and the average price of tubers during the period were as under :—

	Input of tubers per cwt. of sago	Average price of tubers per cwt.
	Cwt.	Rs.
The Starch Manufacturing Co.	4.20	2.69
Sri Venugopal Rice & Sago Mills	4.61	3.07
The New Shanmugha Rice & Oil Mills	3.78	2.63

The price of tubers increased during the year ended 31-3-1957 and was Rs. 6·80, Rs. 7·28 and Rs. 8·42 respectively for the above three factories. The average cost of tubers per cwt. of sago worked out to Rs. 11·76 for the year ended 31-3-56 and 31·50 for the year ended 31-3-1957.

13.2. The details of the cost of production of the three factories are given in the Cost Accounts Officer's Report which is being forwarded to Government as a separate confidential document. The following statement summarises the cost of production for the year ended 31-3-1956:—

	The Star- rch Man- nufactur- ing Co.	Sri Venu- gopal Rice & Sago Mills	The New Shanmu- gha Rice & Oil Mills	Average of the three units
	Rs.	Rs.	Rs.	Rs.
Raw Materials	12.35	14.68	10.17	11.76
Conversion costs	5.68	3.23	2.94	3.95
Packing charges	0.88	1.41	1.41	1.23
	18.91	19.32	14.52	16.94
Less recoveries	1.77	0.56	0.31	0.88
Net cost	17.14	18.76	14.21	16.06
Interest and profit	1.05	1.15	0.88	0.98
Fair ex-works price per cwt.	18.19	19.91	15.09	17.04

While the average cost of the three units amounted to Rs. 17·04 per cwt. for the year ended 31-3-1956, it reached the figure of Rs. 37·99 per cwt. for the year ended 31-3-1957 due to increased cost of tapioca tubers as stated at the end of para 13.1.

13.3. With the data procured by the Cost Accounts Officer, we have built up an estimate of the average future cost of production of sago as under:—

	Cost per cwt. of sago
	Rs.
Raw Materials	27.14
Conversion charges	3.95
Packing charges	1.23
	32.32

Less recoveries	0.88
	<u>31.44</u>
Interest on working capital	0.47
Profit	<u>1.57</u>
Fair ex-works price	<u>33.48</u>

13.4. The factors that have been taken into consideration in building up the above estimate are :—

- (i) The future cost of tapioca tubers has been calculated at the rate of Rs. 1.5 per maund of 26 lbs. which was the price accepted as fair to the interests concerned at the public inquiry.
- (ii) Interest on working capital has been calculated at 6 per cent on an amount equivalent to three months' cost of production.
- (iii) Profit has been allowed at the rate of 5 per cent on cost of production.

13.5. In accordance with the decision taken by the Commission at the time of the last inquiry we have agreed to take into consideration the average railway freight from Salem to Bombay and Calcutta for the purpose of comparing the ex-works price of indigenous sago with the landed cost of imported sago. The average railway freight works out to Rs. 2.25 per cwt. and the ex-works cost, together with this amount of freight disadvantage, amount to Rs. 35.73 per cwt.

14. The absence of any imports since January, 1950, no data was available regarding c.i.f. prices and landed costs. We, therefore, obtained from the Office of the Commissioner to the Government of India in Singapore c.i.f. prices (calculated from f.o.b. prices to which were added costs of freight, insurance etc.) of sago pearls and tapioca globules which are as follow :—

	Rs.	Per cwt.
Sago pearls	26.21	c.i.f. at Calcutta.
Tapioca globules	32.76	Do.

For assessing the disadvantage to the Indian industry, we have adopted the c.i.f. price for sago pearls viz., Rs. 26.21 per cwt. which we shall compare with the ex-works price of indigenous sago.

15. The following statement gives a comparison of the fair ex-works price of indigenous sago with the c.i.f. price and landed cost of imported sago :—

Comparison of c.i.f. price and landed cost of imported sago with fair ex-works price of indigenous sago

1. Fair ex-works price of indigenous sago together with railway freight disadvantage	Rs. 35·73
2. C.i.f. price of imported sago	Rs. 26·21
3. Clearing charges	Rs. 0·62
4. Landed cost of imported sago without duty	Rs. 26·83
5. Difference between (1) and (4)	Rs. 8·90
6. No. (5) as a percentage of c.i.f. price	33·96%

16-1. It will be seen from the Table given in the preceding paragraph that a duty of about 34 per cent *ad valorem* is required to equate the landed cost of Malayan sago with the fair ex-works price (including railway freight disadvantage) of indigenous sago. The existing rate of duty is 36 per cent *ad valorem* plus 5 per cent

of the total duty for sago manufactured in a British Colony and 46 per cent *ad valorem* plus 5 per cent of the total duty for sago not manufactured in a British Colony. Under existing circumstances, the duties at current levels are sufficient to afford adequate protection to the indigenous industry. We, therefore, recommend that protection to the industry should be continued for a further period of two years, i.e., till the end of the year 1959 and that the existing rates of protective duties, as stated above, should be maintained during the period. In recommending extension of protection we have borne in mind the considerations that weighed with the Commission in 1950 and 1954 viz., (a) that the industry which is concentrated in Salem District of Madras State is of considerable importance to the agricultural economy of the area, (b) that it provides employment to surplus labour in large numbers, (c) that it produces an essential article of supplementary food and (d) that it encourages the cultivation of a subsidiary crop, viz., tapioca. We have also taken note of the fact that during the major portion of the period between 1953 and 1956, the industry was subjected to severe difficulties from which it has not yet fully recovered and therefore deserves a measure of sympathetic treatment. We would, however, take this opportunity of mentioning that if the various recommendations made by the Commission in its last two Reports of 1950 and 1954 had been implemented, the position of the industry would, in all probability, have been adequately consolidated and it would have been possible for it to dispense with protective duties to the measure still considered necessary. We have amplified this observation in the succeeding paragraphs.

16.2. It is necessary, at this stage, to take note of the fact that, as will be seen from the figures in paragraph 13.3, the cost of raw material forms over 86 per cent of the prime cost of production of sago, and that the sole reason for the industry still requiring protection to the extent indicated above is the high cost of tapioca tubers.

From the figures furnished in paragraph 7.6 it will be observed that the price of sago touched very low levels in 1955, and, further, that the considerable fluctuations in the price of tubers were directly reflected in like fluctuations in the price of sago. Fluctuations such as these have an unsettling effect on the market and consequently on production programmes. Our present inquiry did not cover the entire market for tapioca tubers in Madras and in Kerala, of which the demand for the sago industry is only a small fraction. As the raw material of the sago industry and as the diet of the poorer sections of the population it is desirable that the price of the tubers should not be liable to wide fluctuations. We feel that steps should be taken to bring the producers into a co-operative organisation so as to assure steady prices to the benefit of both manufacturers and consumers. It will be recalled that the Commission in its two previous reports of 1950 and 1954 has recommended that there should also be, in addition to a Co-operative Purchasing Society, a Co-operative Distribution Society. It will be seen from paragraph 4.5 that this important recommendation of ours for a dual co-operative organisation has not been given the consideration that it deserves. It is our view that there is no better way of building up a small scale cottage industry comprising of a large number of heterogeneous units except under the aegis of a Central Co-operative Society which would take care of all the organisational needs of the industry and eliminate middlemen alike in the matter of providing finance, purchase of raw material and distribution of the finished product. As regards finance for the sago industry, we were informed by the sago dealers present at the public inquiry that an amount of about Rs. 10 lakhs would be adequate for financing the dealership business in the commodity. It would seem, therefore, that a co-operative purchasing and marketing society with an initial capital of about Rs. 10 lakhs should be able to undertake the functions envisaged by us and prove of inestimable value to the Sago Industry. We, therefore, recommend, once again, that the Government of Madras should give the necessary assistance to the producers of sago to set up a co-operative organisation which should function as a central purchasing agency for tapioca tubers and a distributing agency for the finished product.

16.3. Mention has been made in paragraph 6.3 of the factors which contribute to the difficulty of obtaining statistical and other data from the individual units in the industry. Consequently, the Commission has been relying on the Salem Sago Manufacturers' Association to furnish all the data required as will be seen from Recommendation No. XIX in the 1950 Report, and Recommendation No. XIII in the 1954 Report. How these recommendations have not been implemented and to what extent the Association (and, therefore, the industry) has defaulted is stated in paragraph 4.7. We considered it necessary to administer a severe warning to the industry during the public inquiry at Salem pointing out to the producers present and to the office-bearers of the Association that while we had taken the unusual step of camping at Salem to conduct the inquiry in order to save the industry the expense and inconvenience involved in sending its representatives to Bombay, there was no evidence of reciprocal co-operation or even acting in self-interest on the part of the producers. We once again recommend that the Salem Sago Manufacturers' Association should take steps to collect and

maintain, in regard to each unit of the industry, statistics relating to its capacity, production, sales, selling prices, the prices and supplies of raw material and other cognate matters, and submit to the Commission the relative figures *each month*. The industry should bear in mind the fact that it is its statutory duty to submit these figures to the Commission and continued failure to do so would only indicate that it does not deserve to receive assistance from Government in any form.

16.4. We think it necessary to mention that the various recommendations made by us in this Report, many of which are reiterations of previous recommendations by the Commission, constitute a composite scheme of protection which is essential for the healthy establishment of the sago industry. With the operation of a ban on import of sago, the protection given to the industry by way of protective duty has been of little or no significance. On the other hand the threefold assistance which the industry has been most in need of, (namely, procurement of tapioca tubers at economic prices without violent fluctuations, marketing of sago through a central organisation, maintenance of quality control and hygienic techniques of production) has been fully covered in our recommendations from time to time. It is our view that unless these recommendations are implemented during the further period of protection recommended by us, no useful purpose will be served by retaining this industry in the protected list, and it may not be possible for us to recommend the continuance of protection or assistance beyond 1959 if substantial progress is not achieved at that time.

17. Our conclusions and recommendations are summarised below :—
Summary of conclusions and recommendation

(1) The report of Sago Expert Committee should be given wide publicity all over the country in order to set at rest all misgivings regarding the product. It should be translated into Tamil and made available to all producers of sago.

[Paragraph 5.4]

(2) The domestic demand for sago in the immediate future is about 23,000 tons per annum.

[Paragraph 8]

(3) The Sago Industry should undertake propaganda and advertisement in favour of their product using the material contained in the booklet called "The Indian Sago Industry" produced by the Central Food Technological Research Institute, and the report of the Sago Expert Committee.

[Paragraph 8]

(4) The brochure containing the Indian Standard Specifications IS: 899/1956 should be fully translated into Tamil and made available to all producers of sago.

[Paragraph 9.2.]

(5) The factories producing sago in Salem should be brought under the administration of pure food laws in the country and steps taken to have all factories registered under licences, the rules for

the issue of which should be framed in consultation with the Central Food Technological Research Institute. Inspectors should be appointed in adequate numbers to enforce the licensing regulations.

[Paragraph 9.4.1.]

(6) A laboratory should be established at Salem for testing samples of batches of sago produced at the various factories in accordance with the standards as laid down by the Indian Standards Institution. A Technical Officer should be attached to this laboratory not only to assist manufacturers to maintain quality control but also help them to achieve the minimum working conditions necessary for the efficient operation of the factories. This Technical Officer should work in collaboration with or under the supervision of the Central Food Technological Research Institute, Mysore.

[Paragraph 9.4.2.]

(7) Manufacturers should extend their fullest support and co-operation to the personnel in charge of the laboratory, the Technical Officer and the Inspectors appointed to enforce food laws and licensing regulations.

[Paragraph 9.4.3.]

(8) The practice of colouring sago to attain a pink colour, which appears to be prevalent to some extent, should be prohibited.

[Paragraph 9.4.4.]

(9) No licence for export of sago should be granted to a producer until he has obtained a certificate from the Central Food Technological Research Institute (or the testing laboratory to be established at Salem) to the effect that the quality of the sago produced in the factory fulfils the Indian Standard Specifications.

[Paragraph 11.2.2.]

(10) Protection to the sago industry should be continued for a further period of two years, i.e., till the end of the year 1959 and the existing rates of protective duties should be maintained during the period.

[Paragraph 16.1.]

(11) The Government of Madras should give the necessary assistance to the producers of sago to set up a co-operative organisation which should function as a central purchasing agency for tapioca tubers and a distributing agency for the finished product.

[Paragraph 16.2.]

(12) The Salem Sago Manufacturers' Association should take steps to collect and maintain in regard to each unit of the industry, statistics relating to its capacity, production, sales, selling prices, the prices and supplies of the raw material and other cognate matters and submit to the Commission the relative figures each month.

[Paragraph 16.3.]

13. We express our thanks to the producers and the representatives of their Association, sago dealers and consumers who attended the public inquiry and tendered evidence. We are also thankful to Dr. V. Subrahmanyam and Dr. M. Swaminathan of the Central Food Technological Research Institute, Mysore, who both attended the public inquiry and gave us valuable advice and suggestions.

Acknowledgements

C. RAMASUBBAN,
Member.

S. K. MURANJAN,
Member.

RAMA VARMA,
Secretary.

BOMBAY;
Dated 11th May 1957.



APPENDIX I

(Vide paragraph 3.2)

List of Bodies and Government Departments to whom the Commission's questionnaires and letters were issued and from whom replies were received

*Indicates those who have replied.

†Indicates those who have stated that they are not interested.

(A) *Producers :*

- *1. The Salem Sago Manufacturers' Association, Suramangalam Main Road, Shevapet, Salem.
- *2. The Women Welfare Centre, Parasuvaikal, Parassala, Kerala State.

(B) *Consumers:*

- †1. The Superintendent, J. J. Group of Hospitals, Bombay.
- †2. The Dean, K. E. M. Hospital, Parel, Bombay.
- †3. The Medical Officer-in-charge, Cama & Albbless Hospital, Bombay.
- *4. The Superintendent, St. George's Hospital, Frere Road, Bombay.
- *5. The Dean, Government General Hospital, Madras.
- †6. The Superintendent, G. T. Hospital, Bombay.
- †7. The Superintendent, Medical College Hospitals, Calcutta.
- †8. The Civil Surgeon, Sholapur.
- †9. The Civil Surgeon, Poona.

(C) *Government Departments :*

- *1. The Secretary to the Government of India, Ministry of Heavy Industries, New Delhi.
- *2. The Chief Industrial Adviser, Development Wing, Ministry of Heavy Industries, New Delhi.
- *3. The Secretary to Government, Department of Industries, Labour and Co-operation, Fort St. George, Madras.
- *4. The Director of Industries & Commerce, Government of Madras, Chepauk, Madras-5.
- *5. The Director of Agriculture, Government of Madras, Chepauk, Madras-5.
- *6. The Secretary to Government, Food Department, Agricultural Section, Government of Travancore-Cochin, Trivandrum.
- *7. The Director of Industries & Commerce, Government of Kerala, Post Bag No. 52, Trivandrum.
- *8. The Secretary, Tapioca Marketing Expansion Board, Government of Kerala, Trivandrum.
- *9. The Director, Cental Food Technological Research Institute, Cheluvamba Mansion, V.V. Mohalla P. O., Mysore.
- *10. The Director, Indian Standards Institution, 19, University Road, Civil Lines, Delhi-8.
- *11. The First Secretary (Commercial), Office of the Commissioner for the Government of India in Malaya, 31, Grange Road, Singapore.
- *12. The Divisional Superintendent (Commercial), Southern Railway, Tiruchirappalli
- *13. The Divisional Superintendent (Commercial), Southern Railway, Podanur.



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APPENDIX II

(Vide paragraph 3.3)

List of Persons who attended the Commission's Public Industry at Salem on 25th March 1957

(A) *Producers :*

Representing.

- | | | |
|--|--|--|
| <ol style="list-style-type: none"> 1. Shri K. S. Shanmugam Chettiar 2. Shri P. Manickam Chettiar 3. Shri A. G. P. Ramanathan Chettiar 4. Shri A. G. S. Ambi Chettiar 5. Shri N. Marappa Gounder 6. Shri N. Jagannathan | <div style="font-size: 4em; line-height: 1;">}</div> | <p>Salem Sago Manufacturers' Association, Suramangalam Main Road, Shevapet, Salem.</p> |
|--|--|--|

(B) *Government Departments :*

- | | | |
|--|--|---|
| <ol style="list-style-type: none"> 1. Dr. V. Subrahmanyam 2. Dr. M. Swaminathan 3. 4. 5. 6. Shri M. Periana Pillai 7. Shri T. V. Punnoose 8. Shri K. Parameswara Menon | <div style="font-size: 4em; line-height: 1;">}</div> | <p>Central Food Technological Research Institute, Cheluvamba, Mansion, V. V. Mohalla P. O., Mysore.</p> <p>Director of Agriculture, Government,</p> <p>Com-
adras,
State
salem,
visory</p> <p>Director,</p> <p>Director of Community Projects, Government of Madras, Madras.</p> <p>Industries Department Government of Kerala, Trivandrum.</p> <p>Tapioca Marketing Expansion Board, Trivandrum.</p> |
|--|--|---|

(C) *Others :*

- | | |
|--|---|
| <ol style="list-style-type: none"> 1. Shri B. C. Kothari 2. Shri M. V. Gopala Chettiar 3. Shri K. Hiralal Patni 4. Shri Pravin 5. Shri Navranglal | <p>Sago & Tapioca Products Exporters' Association, Salem.</p> <p>Salem Chamber of Commerce Salem.</p> <p>M/s. K. Hiralal Patni & Co., Shevapet, Salem.</p> <p>M/s. General Produce Trading Co., Salem.</p> <p>M/s. Jai Hind Supplies (Calcutta), Salem.</p> |
|--|---|